



## CROSS-AGENCY TRANSITION TEAM WHITE PAPER

**SUBJECT:** Funding Training

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### Issue

The NASA FY 2010 Appropriations Bill provides that NASA's Cross-Agency Support Funds (CASX) are limited to a one-year period of availability and will expire on September 30, 2010. This paper addresses the requirements for Funding Training.

Many NASA training functions are funded from CASX. When the need for the services is recurring and continuous, the services should be regarded as severable into the various time periods encompassed by the services. Agencies must fund severable service contracts with dollars available for obligation on the date the Contractor performs the service.

**Bona Fide Needs.** Services are nonseverable if the services contemplate a required outcome, product or report and is essentially a single undertaking. The Government must fund the task with dollars available for obligation at the time the contract is executed, and the contract performance may cross FYs.

Training tends to be nonseverable. Thus, where a training obligation is incurred in one fiscal year, the entire cost is chargeable to that year, regardless of the fact that performance may extend into the following fiscal year. Comp. Gen. Decision B 238940, 70 Comp. Gen.296 (1991), where the need for training exists, delays are not excessive, and were beyond the control of the agency, training may be funded from one FY though all attendance occurs in the subsequent FY.

Where it otherwise meets a bona fide need, tuition may be paid at the time of enrollment in one FY, if required by the educational institution for attendance in another FY. 41 Comp. Gen. 626 (1962). See 70 Comp. Gen. 296, B-238940 (1991).

### Guidance

Where a training obligation is incurred in FY 2010, the entire cost is chargeable to PY 2010 CASX funds, regardless of the fact that the training may extend into the FY 2011.

Training that is held in early FY 2011 is chargeable to PY 2010 funds where the training has been identified as a need for FY 2010, scheduling is beyond NASA's control, and the time between procurement and performance is not excessive. GAO has not defined how much time between procurement and performance is excessive. It would appear that a training instance identified as a need for FY 2010 would not be considered excessive if the training was held in the first two months of FY 2011, although that time could vary depending upon

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Special Note: Although these white papers provide general guidance on the application of the Bona Fide Needs rule to common situations, you should still review your specific circumstances with local procurement, finance, and legal specialists. GAO has repeatedly emphasized that what constitutes a bona fide need of a particular fiscal year depends largely on the facts and circumstances of each particular case. Also note that while this guidance was developed to address the issues arising from the change to a one-year appropriation for CAS, it is also applicable to other expiring appropriations.

the lead-time requirements for advance registration. The contract for the training would still be obligated in FY 2010 in order to charge PY 2010 funds. PY 2011 funds would be charged for training that does not require registration until FY 2011.

NASA may also use PY 2010 funds to make a tuition payment where the payment is required by the institution before the end of FY 2010 for a course scheduled to start in FY 2011.

NASA may also use PY 2010 funds to make a discounted tuition payment where the payment is due before the end of FY 2010 for a course scheduled to start in FY 2011. In this situation, NASA may make such a payment if payment is otherwise properly chargeable to the fiscal year in which the discounted payment is due (FY 2010) and the time between payment and receipt of training is not excessive.

Travel related to training must follow the travel funding guidelines.